

**Opening Statement (prepared, not delivered)**  
**Chairman Michael G. Oxley**  
**Committee on Financial Services**

**Subcommittee on Financial Institutions and Consumer Credit**  
**July 12, 2001 10:00 a.m.**

**“H.R. 1701, the Consumer Rental Purchase Agreement Act”**

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Good Morning. Chairman Bachus, thank you for holding this hearing today.

I am pleased that this Subcommittee is reviewing this issue. Congress has wrestled with the issue of regulating the rental-purchase industry for the past decade, including public hearings and the introduction of many legislative measures. It seems appropriate that the new Committee on Financial Services should try to tackle this issue.

I am particularly pleased with the bipartisan support this legislation has received. I would like to thank Messrs. Kanjorski, Ford, Sandlin, Shows and Sherman for their work on this issue and I look forward to working with Ms. Waters, Messrs. LaFalce and Jones and their staffs on this piece of legislation.

H.R. 1701 has come farther than any other attempt to bring together both the interests of the rental-purchase industry and consumers.

The consumer disclosures this bill provides are extensive. They provide the consumer with more information and clarity when shopping for and deciding to enter into these types of transactions.

This legislation will ensure greater price disclosures without restricting an industry that meets the demands of many customers.

This legislation does more than provide consumer protections and heightened disclosure by providing a federal floor for consumer disclosure, leaving the states free to enact stricter disclosure requirements. It also provides clarity and uniformity to the patchwork of state laws that currently exists.

Forty-six states have laws that regulate this industry, all with their own variation on what consumer protections, disclosures, liabilities and enforcement powers should apply to the industry. Three states base their regulation of the industry on case law. One state has no specific law that regulates this industry.

H.R. 1701 will provide uniformity and clarity for the industry and for consumers, while leaving states' rights intact.

I'd like to thank our witnesses for agreeing to appear today. I look forward to hearing your testimony and working with you further on this matter.

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